



Tutorial Retirement Application Packet

Montana Teachers' Retirement System



Tutorial Overview: Welcome!

- ▶ The Member and Employer Certification of Termination of Employment Form is covered in a *separate tutorial*.

- ▶ This tutorial covers the following forms:
 - ▶ Application for Retirement Allowance
 - ▶ Federal W4-P Form
 - ▶ Montana State Tax Withholding Certificate
 - ▶ Electronic Deposit Form
 - ▶ Authorization for Deduction of Health Insurance
 - ▶ Retirement Termination Pay Form

Certification of Termination of Employment



- ▶ The first form in your retirement application packet is for you and your employer to certify your termination and any agreements to return to work after retirement.
- ▶ You are *required* to complete this form for each position reportable to TRS that you were employed in during the 12 months preceding your last date of termination.
- ▶ TRS has created a separate tutorial for this form.



General Information ~ 1

- ▶ All information must be provided in full.
 - ▶ If any forms are not properly completed, TRS will suspend processing of your application until you have provided all required forms and information.
 - ▶ This could delay your benefits.
- ▶ Read and follow instructions for each section.
- ▶ Type or print legibly in dark ink.
- ▶ Enter N/A if a section is blank or not applicable.



General Information ~ 2

- ▶ If you have questions or need assistance in completing the retirement application packet, please contact the TRS office.
 - ▶ (406) 444-3134
 - ▶ (866) 600-4045

- ▶ Once you have completed all forms, please return the packet to TRS *at least 30 days* before your termination date.
 - ▶ PO Box 200139
 - ▶ Helena, MT 59620-0139



Retirement Benefits Overview

- ▶ You are eligible to retire the first of the month following your certified date of termination.
- ▶ Example:
 - ▶ Your date of termination is June 10.
 - ▶ You are eligible to retire on July 1.
 - ▶ You will receive your first benefit payment on the last business day of July.
 - ▶ Once you have cashed your benefit check or received an electronic deposit, *you are retired*.

Estimated Payment & Final Audit



- ▶ Your initial benefit payments will be an estimate.
- ▶ Your benefit may be adjusted once TRS receives complete information from your employer on:
 - ▶ Final salary
 - ▶ Service credit
 - ▶ Termination pay
- ▶ If this information indicates a discrepancy, your benefit payments will be adjusted retroactive to your effective retirement date.
- ▶ The final audit of your account could take up to six months after your effective retirement date.

Application for Retirement Allowance

TRS Form 108

Section I: Member Information



► Sample:

TYPE OR PRINT LEGIBLY IN DARK INK. COMPLETE ALL SECTIONS, MARK N/A IF 'NOT APPLICABLE' AND RETURN ALL PAGES TO THE TRS.

SECTION I – MEMBER INFORMATION

First _____ Middle _____ Last _____ Suffix _____
Printed Name

Maiden Name

Area Code and Telephone Number

_____-_____-_____
Social Security Number

Mailing Address—including City, State & Zip+4 Code (If unknown, use 5-digit Zip Code)



Print all information in this section.
Enter N/A in sections that are not appropriate,
e.g. for middle name.



Section I: Member Information

- ▶ Provide up-to-date personal information. We will update your records, if applicable.
- ▶ Changes in mailing address must be submitted *in writing* prior to the 15th of the month in which you want the changes to be made.
- ▶ Keep your mailing address current in order to receive annual tax forms and other timely information.



Section I: Eligibility

- ▶ This section discusses requirements that you must meet in order to be eligible for retirement benefits.

ELIGIBILITY TO RETIRE / BENEFIT ELECTION IRREVOCABLE

You are eligible to receive retirement benefits from the Teachers' Retirement System (TRS) effective the 1st of the month following the date you meet all of the following requirements:

- You are a vested member of TRS,
- You have fulfilled the age and/or years of service requirements applicable to your membership tier, and
- You have terminated employment in all positions reportable to TRS

- ▶ Please read this entire section carefully.

Section II: Purchase or Forfeiture of Service



► Sample:

SECTION II – PURCHASE OR FORFEITURE OF SERVICE

If you are eligible to purchase additional years of service with TRS, payment must be completed by the 15th of the month in which you retire. If payment is not completed by this date, service will be credited to your account based on the payments received and your monthly benefit will be adjusted retroactive to your retirement effective date.

If you are in the process or plan to purchase service, please indicate the type(s) of service you intend to purchase prior to retirement and initial the appropriate space below. Contact TRS for the final payment amount due.

If you have been provided with the cost, but would prefer not to purchase service, indicate the type(s) of service you are forfeiting and initial the appropriate space below.

Service type(s): _____
(Initial One) _____ I intend to purchase service credit. _____ I intend to forfeit the purchase of service credit.

Note service type(s) or
indicate N/A if not eligible.

You must choose to purchase
or forfeit service if you are
eligible.

Section II: Purchase or Forfeiture of Service



- ▶ Information on purchasing services and the types of service eligible for purchase can be found in the most recent version of the Member's Retirement Plan Handbook -- on the TRS website.
- ▶ If you are eligible to purchase additional years of service with TRS, you must choose – *and indicate in Section II* -- whether you will purchase or forfeit the credit.
- ▶ If you are not eligible to purchase service, please indicate with an N/A under “Service Types” in Section II.

Section II: Purchase or Forfeiture of Service



- ▶ **Payment:**
 - ▶ Contact TRS for the cost of the service that you would like to purchase.
 - ▶ Check with your employer to see if they have been approved by the IRS to purchase service credit through payroll deductions.
 - ▶ If you are paying by personal check, you must remit payment in full no later than the 15th of the month in which you retire.
 - ▶ If you retire before all installment payments have been made, your benefits will be adjusted accordingly.

Section III: Mid Year Retirement



► Sample:

SECTION III – MID YEAR RETIREMENT

If your termination date is prior to the completion of the current fiscal year, you must provide the following information.

FULL-TIME EMPLOYEES:

Number of days worked: _____

HOURLY EMPLOYEES:

Hourly rate of pay: _____

SUBSTITUTE TEACHERS:

Daily rate of pay: _____



If your termination date is at the end of the fiscal year, please enter N/A in the appropriate category.



Section III: Mid Year Retirement

- ▶ Complete this section *if* your date of termination is:
 - ▶ Prior to the completion of your contract, or
 - ▶ During the fiscal year

- ▶ Your payroll office will have the information you need to fill in this section.

- ▶ If your date of termination is at the end of the fiscal year, please enter N/A in the appropriate section.
 - ▶ Example: If you are a full time employee and your date of termination is at the end of the year, enter N/A in the full-time employees area of Section III.

Section IV: Termination Pay Options



► Sample:

Enter N/A if you will not receive termination pay.

SECTION IV—TERMINATION PAY OPTIONS

If you are eligible to receive termination pay from your employer (a lump-sum payment as a result of terminating your employment for retirement) provide the estimated dollar amount and indicate Option 1, 2, or 3. For an explanation of each option, refer to the Member's Retirement Plan Handbook. For further clarification regarding termination pay options, please contact the TRS at 406-444-3324 or 406-444-4113.

If you and your employer signed the 'Termination Pay – Irrevocable Election Form' (TPIEF) 90 calendar days prior to your last scheduled pupil-instruction day, pupil-instruction-related day, or termination date, whichever is later, indicate the termination pay option you elected. This information will be used in the initial calculation of your monthly benefit.

If you have not signed a TPIEF, you are still eligible to elect Option 1 or 2 and use your termination pay in the calculation of your Average Final Compensation. The termination pay will be considered taxable income, with the net amount being made payable directly to you. You must remit a personal payment representing the employee contribution due to TRS.

Estimated Retirement Termination Pay: \$ _____ Check one: Option 1 ☐ Option 2 ☐ Option 3 ☐

☐ I have signed the 'Termination Pay – Irrevocable Election Form', at least 90 calendar days prior to my last pupil instruction day, pupil-instruction-related day, or termination date, allowing my contribution due on termination pay to be remitted as tax-deferred.

☐ I have **not** signed the 'Termination Pay – Irrevocable Election Form'.

You must choose an option if you will receive termination pay.

You must indicate if you have signed the TPIEF

Section IV: Termination Pay Options



- ▶ If you are eligible to receive termination pay from your employer, you ***must*** choose one of three options on including termination pay in the calculation of your retirement benefits
 - ▶ Option 1: lump sum
 - ▶ Option 2: apportioned
 - ▶ Option 3: don't use
- ▶ More information can be found on the TRS website
 - ▶ Member's Retirement Plan Handbook.
 - ▶ Termination Pay tutorial
 - ▶ TRS Form 129

Section V: Retirement Benefit Allowance



► Sample:

Be sure you print and sign to indicate your choice

Choose
one
of these six
benefit
types

NORMAL FORM: (Life Only Annuity): Benefits will be paid for your lifetime. Upon your death, if you have not received benefits equal to your account balance when you retired, any remainder will be refunded to your designated beneficiary in a lump sum payment.

Printed Name _____ Signature _____

10 YEAR CERTAIN AND LIFE: Paid for 10 years or your lifetime, whichever is greater. To elect the 10 Year Certain and Life allowance, you must be age 75 or less. The 10 year time period begins on your retirement effective date. If your death occurs within the period elected, benefits will continue to be paid to your designated beneficiary for the remainder of the time period elected.

Printed Name _____ Signature _____

20 YEAR CERTAIN AND LIFE: Paid for 20 years or your lifetime, whichever is greater. To elect the 20 Year Certain and Life allowance, you must be age 65 or less. The 20 year time period begins on your retirement effective date. If your death occurs within the period elected, benefits will continue to be paid to your designated beneficiary for the remainder of the time period elected.

Printed Name _____ Signature _____

OPTION A: (Joint and Full to Joint Annuitant): Upon your death, the joint annuitant, if living, will continue to receive the same monthly amount during the remainder of their lifetime.

Printed Name _____ Signature _____

OPTION B: (Joint and One-Half to Joint Annuitant): Upon your death, the joint annuitant, if living, will receive one-half (1/2) of the benefit during the remainder of their lifetime.

Printed Name _____ Signature _____

OPTION C: (Joint and Two-Thirds to Joint Annuitant): Upon your death, the joint annuitant, if living, will receive two-thirds (2/3) of the benefit during the remainder of their lifetime.

Printed Name _____ Signature _____

Section V: Retirement Benefit Allowance



- ▶ There are six different options that you can choose from for your retirement benefit allowance.
 - ▶ You may choose *only one* option.
 - ▶ Please read the Member's Retirement Plan Handbook carefully in order to understand your choices.
 - ▶ Contact the TRS office if you have any questions regarding the different options.
- ▶ Once you have attained retired member status, your choice cannot be changed.
- ▶ You must print and sign your name in the appropriate section to indicate your choice.

Section V: Acknowledgement of Spouse



► Sample:

If you are not married, initial here.

_____ Initial here if you are not married on the date you sign this application.

If you are married on the date you sign this application, your spouse must complete and sign (before a notary public), the following acknowledgement.

I, _____, am the spouse of the Member. I acknowledge that I have reviewed this application form and am aware of the benefit election and joint annuitant or beneficiary designation made by the Member

Spouse's Signature _____ Date _____

TO BE COMPLETED BY A NOTARY PUBLIC:

Signed and sworn to before me this _____ day of _____ 20____; by name of person appearing before the Notary Public. County of _____

If you are married, your spouse ***must*** sign this in front of a notary public.

Section V: Acknowledgement of Spouse



- ▶ In addition to making your choice for retirement benefit allowance via printing and signing your name, your spouse must also acknowledge your choice by signing and dating the form in the presence of a Notary Public.
- ▶ If you are not married at the time you complete the retirement application, you must indicate this with your initials.

Section VI: Beneficiary/Joint Annuitant Designation



- ▶ The beneficiary on file with TRS while you are an active member *is no longer valid* after retirement.

- ▶ Based on the type of benefit allowance you chose in Section V, you must indicate either a
 1. Beneficiary – Normal Form, 10 or 20 Year Certain & Life, *or*
 2. Joint Annuitant – Option A, B, or C

- ▶ In the case of your death, your beneficiary's death, or your annuitant's death – TRS must be notified immediately.



Section VI: Beneficiary

► Sample:

Indicate a beneficiary **only if** you chose Normal Form or Certain & Life for your retirement benefit

Complete this section only if you elected the Normal Form or either 10 or 20 Year Certain & Life allowance.

PRIMARY BENEFICIARY	1ST CONTINGENT BENEFICIARY	2ND CONTINGENT BENEFICIARY
Designated Beneficiary's Name _____	Designated Beneficiary's Name _____	Designated Beneficiary's Name _____
Social Security Number _____ M/F _____	Social Security Number _____ M/F _____	Social Security Number _____ M/F _____
Relationship to Member _____ Date of Birth _____	Relationship to Member _____ Date of Birth _____	Relationship to Member _____ Date of Birth _____

Fill out all information completely

Please review information on the next slide on choosing your beneficiaries



Section VI: Beneficiaries

- ▶ If you elected either the (a) Normal Form, (b) 10 Year Certain and Life or (c) 20 Year Certain and Life benefit allowances, you must indicate your **Beneficiary**.
- ▶ You may chose one or multiple beneficiaries.
 - ▶ Contingent: if your primary beneficiary passes away, your 1st contingent beneficiary will receive the benefit.
 - ▶ Shared: you may indicate multiple primary or contingent beneficiaries who will share the benefit.
 - ▶ Contact TRS for assistance with how to indicate contingent or shared beneficiaries.
- ▶ If your beneficiaries pre-decease you and you have not elected replacements, payments will be made to your estate.

Section VI: Sample ~ Joint Annuitant



► Sample:

You may only choose **one** joint annuitant

Indicate a joint annuitant **only if** you chose Option A, B or C for your retirement benefit

Complete this section only if you elected Option A, B, or C.

Joint Annuitant's Name	Joint Annuitant's Social Security Number	Joint Annuitant's Date of Birth	Relationship To Member

Fill out all information completely



Section VI: Joint Annuitant

- ▶ If you elected Option A, B, or C for benefit allowances, you must indicate a **Joint Annuitant**.
 - ▶ Only one individual may be designated as your Joint Annuitant.

- ▶ If your Joint Annuitant precedes you in death
 - ▶ Your retirement allowance will change to the Normal Form
 - ▶ You may re-elect Option A, B, or C with a new Joint Annuitant within 90 days.

- ▶ Contact TRS immediately in case of death or divorce from your Joint Annuitant.

Section VII: Required Supporting Documentation



► Sample:

	Application for Retirement Allowance
	W-4P Withholding Certificate for Pension or Annuity Payments
	Montana State Withholding Certificate
	Application for Electronic Deposit
	Photocopy of your birth certificate
	Photocopy of your beneficiary's birth certificate, if you elected Option A, B, or C
	Photocopy of your current fiscal year contract(s)/additional duty contract(s)/summer contract(s)
	Photocopy of your letter(s) of resignation, as submitted to your employer(s)
	FORWARD TO EMPLOYER: Member and Employer Certification of Termination of Employment (One for each position/employer) Authorization for Deduction of Health Insurance Retirement Termination Pay

Use this checklist ✓ to ensure you have filled out all necessary forms and submitted all requirement documents.


If any information is missing,
your application processing may be delayed.

Section VIII: Member Election of Retirement Date & Certification



► Sample:

In order to complete this application, you must print your name ...

By my notarized signature below, I, , certify
under penalty of perjury that: Member's Printed Name

... indicate your last date of termination ...

- I have fully and accurately certified my termination of employment in all positions reportable to TRS on form(s) 144, and my last date of employment in any position reportable to TRS was or will be _____ (last certified date of termination).
Month/Day/Year

... and sign in front of a Notary Public.

The information I have provided in completing this application for retirement allowance, including information contained in other documents required to be submitted to TRS in this application process, is true, complete, and accurate.

Member's Printed Name _____

Member's Signature  _____ Date _____

TO BE COMPLETED BY A NOTARY PUBLIC

Signed and sworn to before me this _____ day of _____, 20____; by name of person appearing before the Notary Public. County of _____

Section VIII: Member Election of Retirement Date & Certification



- ▶ Last Certified Date of Termination
 - ▶ In order to be eligible for retirement benefits, TRS members must terminate employment in *all* TRS reportable positions.
 - ▶ This includes summer employment and employment in a leave without pay status.
 - ▶ You must also indicate your last date of employment in a TRS reportable position.
 - ▶ Finally, you must sign this section in the presence of a Notary Public.

Federal W4-P Form

W-4P Federal Withholding Certificate



Fill out completely

----- Separate here and give Form W-4P to the payer of your pension or annuity. Keep the top part for your records. -----

Form W-4P Department of the Treasury Internal Revenue Service	Withholding Certificate for Pension or Annuity Payments ► For Privacy Act and Paperwork Reduction Act Notice, see page 4.	OMB No. 1545-0074 2014
Your first name and middle initial	Last name	Your social security number
Home address (number and street or rural route)		Claim or identification number (if any) of your pension or annuity contract
City or town, state, and ZIP code		

Complete the following applicable lines.

1 Check here if you **do not want any** federal income tax withheld from your pension or annuity. (Do not complete line 2 or 3.) ☐

2 Total number of allowances and marital status you are claiming for withholding from each **periodic** pension or annuity payment. (You also may designate an additional dollar amount on line 3.)
Marital status: ☐ Single ☐ Married ☐ Married, but withhold at higher Single rate. (Enter number of allowances.)

3 Additional amount, if any, you want withheld from each pension or annuity payment. (**Note.** For periodic payments, you cannot enter an amount here without entering the number (including zero) of allowances on line 2.) \$

Your signature ► Date ►

Cat. No. 10225T Form **W-4P** (2014)

Be sure you understand the implications of your choice

Sign and date



Federal Income Tax Withholding

- ▶ Your monthly retirement benefits are subject to federal income tax withholdings.
 - ▶ You can choose to have your federal income tax withheld from your monthly TRS benefit by submitting IRS Form W4-P.
- ▶ You can change your federal withholding preference at any time by submitting a new Form W4-P to TRS.

We strongly recommend you seek professional advice regarding your tax withholding choices.



Montana State Tax Withholding Certification

TRS Form 115

State Income Tax Withholding Montana



► Sample:

All **residents of Montana** must fill out and submit TRS Form 115.
TRS *does not* withhold taxes for any other state.

Check and complete **only** one option below:

- ☐ 1. Check here if you **do not want any** Montana state income tax withheld from your monthly benefit. (Do not complete line 2 below.)
- ☐ 2. Check here and complete all applicable elections, if you want the Montana Teachers' Retirement System (TRS) to withhold Montana state income tax according to your marital status **and** total number of allowances you are claiming for withholding from each monthly benefit. [You may also designate an additional dollar amount to be withheld on line (c).]
- (a) Check Marital status: ☐ Single ☐ Married ☐ Married, but withhold at higher "Single" rate
- (b) Enter Number of allowances: _____
- (c) I elect an additional amount of \$ _____ withheld from each monthly pension or annuity.

Begin Deduction as of (Month/Year): _____

You must choose option 1 **or** 2

You must also indicate when you would like TRS to begin withholding your Montana state income tax

State Income Tax Withholding

Montana



- ▶ If you are a resident of Montana, your monthly retirement benefits are subject to state income tax withholdings.
- ▶ Montana residents must submit TRS Form 115 and choose whether or not you want your state income tax withheld from your monthly TRS benefit.
- ▶ TRS does not withhold state taxes for any state other than Montana

We strongly recommend you seek professional advice regarding your tax withholding choices.

State Income Tax Withholding

Montana



- ▶ If you do not have income taxes withheld from your monthly benefits, you may be required to pay Montana state taxes on a quarterly basis.
- ▶ The number of allowances you claim for your state withholding allowances may be different than the number you claim for federal tax withholding.
- ▶ There may be penalties for not paying enough tax during the year through withholding or estimated tax payments.

We strongly recommend you seek professional advice regarding your tax withholding choices.

State Income Tax Withholding Montana



- ▶ Your election on Form 155 will take effect within 60 days after TRS receives and processes your form. Your preference will remain in effect until we receive a change from you.
- ▶ You can change your Montana state withholding preference by submitting a new TRS Form 115.
- ▶ TRS staff will assist you in any way possible; however, we are not qualified to make decisions for you.

We strongly recommend you seek professional advice regarding your tax withholding choices.

Electronic Deposit Form

TRS Form 114

Application for Electronic Deposit



► Sample:

If you have legal authority to sign for the benefit recipient, you must submit legal documents

BENEFIT RECIPIENT INFORMATION: If anyone other than the member or benefit recipient signs this form, legal documentation giving them the authority to do so must be attached to this form.

First _____ MI _____ Last _____ XXX-XX-_____
Printed Name Social Security Number

Mailing Address—including City, State & Zip+4 Code (if unknown, use 5-digit Zip Code)

Mailing Address Change: ☐ Yes ☐ No

Area Code and Telephone Number _____

AUTHORIZATION: I hereby authorize the Montana Teachers' Retirement System (TRS) to initiate electronic deposits of my monthly benefit into my account at the financial institution named below.

Benefit Recipient's Signature _____

Date _____

JOINT ACCOUNT HOLDER'S INFORMATION

Joint Bank Account Holder's Name _____

Area Code and Telephone Number _____

Joint Bank Account Holder's Mailing Address – Including City, State & Zip+4 Code (if unknown, use 5-digit Zip Code)

FINANCIAL INSTITUTION INFORMATION: (THE TRS CANNOT MAKE ELECTRONIC DEPOSITS TO BANKS OUTSIDE OF THE U.S.)

Financial Institution's Name _____

Area Code and Telephone Number _____

Financial Institution's Mailing Address – Including City, State & Zip+4 Code (if unknown, use 5-digit Zip Code)

Check only one account type: ☐ Checking ☐ Savings

If you checked savings account above, you must provide:

Financial Institution's Transit Routing Number – 9-Digit # _____

Savings Account Number _____

Indicate type of account and bank routing number

Fill out this information completely

Fill out if this is a joint account

Fill out this information completely



Application for Electronic Deposit

- ▶ You can choose to receive your monthly benefit payments via electronic deposit; the funds will be deposited into your account on the last business day of each month.
- ▶ Electronic deposits will take effect within 60 days of our receipt of Form 114. This includes:
 - ▶ First time request
 - ▶ Transfer from one financial institution to another
 - ▶ Change of account number
- ▶ If you change the account for your electronic deposits, do not close the old account until the first payment has been deposited to the new account.



Application for Electronic Deposit

- ▶ A check stub will be mailed to your home address only:
 - ▶ The first month your benefit payment is electronically deposited
 - ▶ When your net monthly deposit amount changes.
- ▶ You must submit a new form in order to make any changes to your electronic account.
- ▶ Your electronic deposits will continue to be deposited into your designated bank account until you notify TRS – in writing – that you want to make any changes.
 - ▶ Exception: TRS will stop electronic deposits upon notification of your death.

Authorization for Deduction of Health Insurance

TRS Form 117

Authorization: Deduction for Health Insurance



► Sample:

Benefit recipients must fill out this section completely. Indicate only the last four digits of your social security number.

BENEFIT RECIPIENT INFORMATION

First _____ Middle _____ Last _____ Suffix _____
Printed Name

Mailing Address—including City, State & Zip+4 Code (If unknown, use 5-digit Zip Code)

Area Code and Telephone Number

Benefit Recipient's Date of Birth

 - - ____
Social Security Number

I hereby authorize deduction of the monthly premium for the insurance coverage I have selected through the employing agency from my monthly Montana Teachers' Retirement System (TRS) retirement allowance. Such deduction is to remain in effect until the employing agency cancels or changes my insurance coverage amount. I also authorize future increases or decreases in the cost of the plan I selected to be automatically deducted without further authorization from me.

Benefit Recipient's Signature

Date

Please sign and date the form and then bring it to your employer to complete.

Authorization: Deduction for Health Insurance



- ▶ TRS can withhold monthly insurance premiums from your retirement benefits by filling out this form.
- ▶ Your annual Form 1099-R will note the total amount of the insurance premium withheld from your retirement benefits.
- ▶ Check with your employer to see if you are eligible to participate in group insurance plans for retirees.

TRS has no connection with group insurance plans.
Please address all questions concerning your group insurance coverage to your employer.

Authorization: Deduction for Health Insurance



► Sample:

Employers must fill out this section completely..

Insurance Coordinator's Name

Area Code and Telephone Number

Insurance Carrier's Name

TRS Six-Digit Employer Number

\$ _____
Monthly Premium Amount

TRS monthly retirement allowances are paid on the last business day of each month. The first deduction from the monthly retirement allowance is to begin in the month of _____, to cover the insurance premium for the month of _____.

Certifying Representative's Printed Name

Certifying Representative's Signature

Date

After the form has been filled out completely and signed by the benefit recipient and employer, the original must be submitted to TRS.

Retirement Termination Pay Form

TRS Form 113

Retirement Termination Pay



► Sample:

You must fill out this section completely. Indicate only the last four digits of your social security number.

MEMBER INFORMATION - PLEASE TYPE OR PRINT LEGIBLY IN DARK INK AND FORWARD TO YOUR EMPLOYER.

First _____ Middle _____ Last _____ Suffix _____
Printed Name

Area Code and Telephone Number

Date of Birth

X X X - X X - ____
Social Security Number

INSTRUCTIONS: Indicate Option 1, 2, or 3 to advise the Montana Teachers' Retirement System (TRS) how you wish your termination pay to be used in the calculation of your monthly retirement benefit.

I hereby elect termination pay option: Option 1 ☐ Option 2 ☐ Option 3 ☐

☐ I have signed the 'Termination Pay – Irrevocable Election Form', at least 90 calendar days prior to my termination of employment, to allow the employee contribution due on termination pay to be remitted as tax-deferred.

☐ I have not signed the 'Termination Pay – Irrevocable Election Form'. I understand I must remit a personal payment representing the employee contribution due to TRS.

Member's Signature

Date

Also indicate if you have signed a TPIEF.

Choose Option 1, 2 or 3 to let TRS know how to use your termination pay in calculating your retirement benefit (see next page for more information).



Retirement Termination Pay

- ▶ If you are eligible to receive termination pay from your employer, you ***must*** choose one of three options on including termination pay in the calculation of your retirement benefits
 - ▶ Option 1: lump sum
 - ▶ Option 2: apportioned
 - ▶ Option 3: don't use
- ▶ More information can be found on the TRS website
 - ▶ Member's Retirement Plan Handbook.
 - ▶ Termination Pay tutorial
 - ▶ TRS Form 129



Retirement Termination Pay

- ▶ If you have signed the Termination Pay – Irrevocable Election Form at least 90 days before your termination date, your contributions due on termination pay will be tax-deferred.
- ▶ Submit this form to your employer. It will be held until you have formally terminated your employment and your final wages have been paid.
- ▶ After your final pay has been processed, your employer will complete the form and submit it to TRS.

Retirement Termination Pay



► Sample:

EMPLOYER CERTIFICATION

Employee's Termination Date Vacation \$ _____ Sick \$ _____ Incentive \$ _____ Total \$ _____
Employee's Termination Pay Amount

Will the employee contribution due on termination pay be remitted as tax-deferred? YES ☐ NO ☐

Please verify the following: (Do not include Termination Pay Amount)

Base Contract Amount \$ _____ Other Compensation \$ _____

Explanation: _____

Your employer must fill out this section completely after your final pay has been processed and then submit the original to TRS.

Employer's Printed Name

Area Code & Telephone Number

Certifying Representative's Printed Name & Title

TRS Six-Digit Employer Number

Certifying Representative's Signature

Date



Thank You!



- ▶ Thank you for taking the time to view the Retirement Application Packet tutorial.
- ▶ The information provided in this tutorial is for educational purposes only, under the laws and rules applicable as of the date of production.
- ▶ This tutorial is not intended to provide accurate, detailed calculations of any specific member's account or benefits.
- ▶ If you have questions or need assistance in completing the retirement application packet, please contact the TRS office.
 - ▶ (406) 444-3134
 - ▶ (866) 600-4045